



STATE OF UTAH
NATURAL RESOURCES & ENERGY
Oil, Gas & Mining

Scott M. Matheson, Governor
Temple A. Reynolds, Executive Director
Cleon B. Feight, Division Director

4241 State Office Building • Salt Lake City, UT 84114 • 801-533-5771

August 16, 1982

Mr. M. Don Nelson
Winecup Resources, Inc.
4770 South 900 East, Suite 101
Salt Lake City, Utah 84107

RE: Reclamation of the Taylor
Livesotck Mine
ACT/019/016
Grand County, Utah

Dear Mr. Nelson:

This letter shall memorialize in summary form the recent conversations between personnel of the Division of Oil, Gas and Mining and yourself, Dennis Ickes and Ferno Dubray.

The Division understands that the gravel and gold placer mine operated by your firm has permanently suspended operations. However, as required by Rule M-7, no formal notice of a termination of mining operations has been received. Said notice, in compliance with all applicable statutory provisions and regulations, should be promptly tendered.

Moreover, the Division of Oil, Gas and Mining has informed Winecup Resources, Inc., that this area should be promptly reclaimed in an acceptable manner. Pursuant to my conversation with yourself and Mr. Ickes on or about August 12, 1982, the Division of Oil, Gas and Mining did receive a verbal commitment to do the mandated reclamation work.

Minimally, the Division anticipates that Winecup Resources, Inc., will regrade the area, stabilize the gravel stockpile, fill in all pits and ponds and revegetate the disturbed area.

Susan Linner, a staff biologist, has prepared the following acceptable revegetation program for broadcast seeding.

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<u>Species</u>	<u>Pounds per Acre</u>
<u>Agropyron spilatum</u> --Bluebunch wheatgrass	4
<u>A. desortorum</u> --Standard crested wheatgrass	5
<u>Elymus chereus</u> --Russian wildrye	3
<u>Melilotus offrushalis</u> --yellow sweetclover	3

As indicated, Ms. Linner and I can meet with representatives of Winecup Resources, Inc., on-site the fourth week of August 1982. August 24th or 25th are most compatible with my schedule.


I understand that some question has arisen to the responsibility of Winecup Resources, Inc., to reclaim the disturbed area. This question is premised upon an interpretation of a contractual agreement with Taylor Livestock Company, wherein the fee owner has waived reclamation activity. Irregardless, a contractual provision of similar intent is not of significant bearing to the State of Utah nor the Division of Oil, Gas and Mining. Thus, Winecup Resources, Inc., is requested to fully comply with all State requirements for reclamation.

I am certain there will be no manifested hesitancy or delay in performing the necessary reclamation. However, any failure to comply with applicable State laws and regulations shall result in formal proceedings before the Board of Oil, Gas and Mining and/or legal action.

Moreover, any future permit applications submitted during the time outstanding reclamation obligations are unfulfilled shall not be approved.

Your cooperation, as most recently expressed, is appreciated. If either Susan or I can be of any further assistance, please do not hesitate to contact us.

Sincerely,



CAROLYN L. DRISCOLL
SPECIAL ASSISTANT ATTORNEY GENERAL

CLD/btb

cc: Dennis Ickes, Esq.
Ferno Dubray
Susan Linner, DOGM
Ron Daniels, DOGM